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SIPDIS

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E.O. 12958: N/A TAGS: <u>PGOV PREL</u> <u>GM</u>

SUBJECT: CDU/FDP COALITION LIKELY TO CONTINUE IN LOWER SAXONY

REF: A. A) BERLIN 086

¶B. B) BERLIN 022

1C. C) 06 HAMBURG 065

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Summary

11. (SBU): Barring surprise political developments, the current CDU/FDP government will likely prevail in Lower Saxony's state elections on January 27 due to an apparent desire by Lower Saxony's voters for a continuation of the status quo. Our interlocutors agreed that the minimum wage issue will continue to be a campaign topic up to the Bundestag elections in 2009. However, the SPD's minimum wage campaign has only translated into a marginal increase of support for the Lower Saxony SPD. Meanwhile, there was consensus among our interlocutors that The Left party would not likely enter parliament. A CDU/FDP victory would come as good news to Chancellor Merkel's CDU, which faces difficult state-level election campaigns in Hessen and Hamburg in January and February. The results of these three early-2008 state elections will be a barometer of the nation's political mood as the Germany heads to national elections in 2009. END Summary.

CDU/FDP LIKELY TO WIN

¶2. (SBU) In polls from Lower Saxony reported on January 18, the CDU was at 46 percent, the SPD at 33 percent, the Greens at 7 percent, the FDP at 7 percent, and The Left at 5 percent. State Parliament Caucus Leader David McAllister was confident that a CDU/FDP coalition with Christian Wulff as Minister President would continue to govern Lower Saxony. FDP State Parliament Caucus Leader Philipp Roesler remarked to poloff that people in Lower Saxony are basically satisfied and are not calling for change. He was confident that the CDU/FDP government would be re-elected. He even expressed worries that the CDU might gain an absolute majority, which would enable it to govern without a coalition partner. McAllister noted that there are few notable political issues being discussed and that the CDU has chosen to focus on Wulff's personal popularity Touching on the heated debate on youth delinquency sparked by Hesse CDU Minister-President Roland Koch, McAllister stated: "Luckily, Wulff is not Koch," clarifying though that the difference is more stylistic than substantive. Wulff is generally regarded to have a more moderate "Merkel-like" style than the more aggressive Koch.

 $\P 3$. (SBU) All party representatives agreed that the minimum wage issue needed to be resolved, but that ultimately, a decision could only be reached at the national level. They pointed out that the issue is here to stay in the political landscape, and expect it to be a central theme in the 2009 Bundestag elections. McAllister expressed some relief that the minimum wage had not become as strong of an issue in Lower Saxony as the CDU had first feared when the SPD brought it up. The SPD's main candidate Wolfgang Juettner had announced that the SPD would collect hundreds of thousands of signatures in support of a minimum wage, but McAllister had not seen much progress in the campaign. He suspected that the SPD announced the campaign in order to prevent The Left party from campaigning with it. SPD Parliamentary Director Dieter Moehrmann admitted that while 70 percent of those polled are in favor of a minimum wage, the SPD only gained about two percent since it had become a campaign issue.

NO FOOTHOLD FOR THE LEFT IN RURAL AREAS

14. (SBU) CDU, SPD, FDP, and Greens agreed that The Left party is unlikely to reach the five percent hurdle in Lower Saxony because its message has not resonated in the state's conservative rural areas. (Note: More than three quarters of Lower Saxony's approximately eight million inhabitants live in rural areas. End Note.) Moehrmann pointed out that The Left in Lower Saxony also lacks a popular front runner and well-known top candidate. Another factor potentially hurting The Left is negative press about unprofessional conduct and conflict among The Left in Bremen, where the party entered parliament in May 12007. Also, the SPD and Greens have firmly distanced themselves from a potential coalition with or "tolerated" by The Left.

COMMENT

15. (SBU) This election shows that the SPD has little room for maneuvering between the CDU and The Left party. In our meeting with Moehrmann on January 11, his first comment was that the "CDU steals our issues." Further, the SPD's attempt to politicize the minimum wage debate has not won them the votes that they hoped it would. Moehrmann ruled out a coalition with

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The Left at any level as long as Oskar Lafontaine leads the party. Roesler remarked that perhaps Juettner's most important achievement in this election will be keeping The Left out of parliament. Nevertheless, as McAllister commented, a poor showing by the SPD in the Hessen, Lower Saxony, and Hamburg elections would have serious ramifications for national SPD party chairman Kurt Beck, who needs to show electoral success in order to validate his current focus on economic justice or populism. END COMMENT.

 $\underline{\mathbf{1}}$ 6. (U) This message has been coordinated with Embassy Berlin. JOHNSON